



4004

ANNUAL REPORT

OF

Name: LEMONWEIR VALLEY TELEPHONE COMPANY

Principal Office: BROWN & MAIN
P.O. BOX 267
CAMP DOUGLAS, WI 54618-0267

For the Year Ended: DECEMBER 31, 1999

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MR. PAUL BERG of
(Person responsible for accounts)

LEMONWEIR VALLEY TELEPHONE COMPANY , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MR. PAUL BERG 04/03/2000
(Person responsible for accounts) (Date)

SECRETARY / MANAGER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	Account
Accum	Accumulated
Acq	Acquisition
Admin	Administrative
Alloc	Allocation
Amort	Amortization
 CO		 Central Office
 Depr		 Depreciation
 Equip		 Equipment
Exp	Expenses
EOY	End of Year
 FOY		 First of Year
 Info		 Information
ITC	Investment Tax Credit
 Misc		 Miscellaneous
 Nonoper		 Nonoperating
Nonreg	Nonregulated
 Oper		 Operating
Opns	Operations
Orig	Originating
 Prop		 Property
 Receiv		 Receivable
Reg	Regulated
Rev	Revenues
 Svcs		 Services
 Telecom		 Telecommunications
Term	Terminating
TPIS	Telecommunications Plant in Service
TPUC	Telecommunications Plant Under Construction
 Uncoll		 Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LEMONWEIR VALLEY TELEPHONE COMPANY
Utility Location: BROWN & MAIN
P.O. BOX 267
CAMP DOUGLAS, WI 54618-0267

Utility Web Site Address:

When was utility organized?: 01/01/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR PAUL D. BERG
Title: SECRETARY/MANAGER

Office Address: 122 MAIN STREET
P.O. BOX 267
CAMP DOUGLAS, WI 54618

Fax Number: (608) 427 - 3438
Telephone Number: (608) 427 - 6515
Email Address: LVT@MWT.NET

Individual or firm, if other than utility employee, preparing this report

Name: MR GARY L. MEIER
Title: CERTIFIED PUBLIC ACCOUNTANT
Firm: SIEPERT & CO. LLP
Office Address: 1920 WEST HART ROAD
BELOIT, WI 53511

F

Fax Number: (608) 364 - 8727
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Person responsible for financial information contained in report

Name: MR PAUL D. BERG
Title: SECRETARY/MANAGER

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Person responsible for statistical information contained in report

Name: MR PAUL D. BERG
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CAMP DOUGLAS, WI 54618

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IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: NONE
Address: NONE
 NONE, WI 00000

Number of Shares Held:
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: LVT CORP.
Form of Interest: EQUITY
Extent Of Interest: 100 % OWNERSHIP

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,220,954	2,708,526	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	292,228	285,245	2
Plant Nonspecific Operations Expense	591,260	374,160	3
Customer Operations Expense (6610-6620)	370,459	311,839	4
Corporate Operations Expense (6710-6790)	352,284	343,756	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	690,189	576,583	7
Total Operating Expenses	2,296,420	1,891,583	8
Net Operating Income	924,534	816,943	9
Other Income			
Nonoperating Income and Expense (7300)	675,445	628,058	10
Nonoperating Taxes (7400)	68,878	108,673	11
Interest and Related Items (7500)	112,830	117,519	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	3	(2,893)	14
Total Nonoperating Income	493,740	398,973	15
Net Income	1,418,274	1,215,916	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- A. TELEPHONE PLANT IN SERVICE IS RECORDED AT ORIGINAL COST AND DEPRECIATION IS COMPUTED ON THE STRAIGHT-LINE BASIS FOR STATEMENT PURPOSES. THE PROVISION RATES ARE APPLIED TO GROUP ACCOUNT ASSETS FOR COMPUTATION OF ANNUAL DEPRECIATION. RETIREMENTS ARE RECORDED USING AVERAGE UNIT COSTS. MAINTENANCE COSTS ARE EXPENSED AS INCURRED.

- B. REDUCTION OF INCOME TAXES DUE TO INVESTMENT TAX CREDIT IS DEFERRED AND IS BEING AMORTIZED OVER THE SERVICE LIFE OF THE PLANT WHICH CREATED THE CREDIT. THE COMPANY AMORTIZED \$12,142 AND \$7,957 OF INVESTMENT CREDIT FOR THE YEARS 1999 AND 1998 RESPECTIVELY.

- C. INTEREST IS CAPITALIZED ON ALL MAJOR CONSTRUCTION PROJECTS. INTEREST TOTALING \$28,618 WAS CAPITALIZED DURING 1999 AT THE COMPANY'S COST OF DEBT FUNDS. PAYROLL TAXES AND EMPLOYEES' INSURANCE COSTS ARE CAPITALIZED ON ALL PLANT ADDITIONS. THIS CAPITALIZATION IS BEING TREATED AS ADDITIONS TO TELEPHONE PLANT FOR BOTH STATEMENT AND TAX PURPOSES.

- D. EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF LONG-TERM DEBT ARE DEFERRED AND WILL BE AMORTIZED OVER THE LIFE OF THE RESPECTIVE DEBT ISSUES ON A STRAIGHT-LINE BASIS.

- E. THE COMPANY HAS A PROFIT-SHARING PLAN FOR THE COMPANY EMPLOYEES WHICH IS ADMINISTERED BY A TRUSTEE. CONTRIBUTIONS ARE MADE EACH YEAR BASED ON A PERCENTAGE OF EMPLOYEES WAGES. PROFIT-SHARING EXPENSE AMOUNTED TO \$48,196 FOR 1999 AND \$44,946 FOR 1998.

- F. UNDER THE MOST RESTRICTIVE PROVISION OF THE LONG-TERM DEBT AGREEMENT, \$5,151,418 OF THE RETAINED EARNINGS IS RESTRICTED AGAINST THE PAYMENT OF DIVIDENDS AS OF DECEMBER 31, 1999.

- G. THE COMPANY HAS A CONTRACT WITH AN AREA SCHOOL DISTRICT TO PROVIDE DISTANCE LEARNING EQUIPMENT. UNDER THE TERMS OF THE CONTRACT, THE COMPANY RECEIVED ADVANCE PAYMENTS OF \$68,871 TO PROVIDE AND MAINTAIN CERTAIN NETWORK EQUIPMENT FOR A SEVENTY-SEVEN MONTH PERIOD BEGINNING AUGUST 15, 1996. THIS PAYMENT HAS BEEN DEFERRED AND WILL BE RECOGNIZED AS INCOME OVER THE PERIOD OF THE CONTRACT.

- H. REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF THE PERIOD IN WHICH THEY ARE BILLED.

REVENUE FOR INTRASTATE SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES AS FILED WITH THE STATE PUBLIC SERVICE COMMISSION. THESE ACCESS CHARGES ARE BILLED TO THE LONG DISTANCE CARRIERS AND RETAINED BY THE COMPANY.

REVENUE FOR INTERSTATE ACCESS SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES FILED BY THE NATIONAL EXCHANGE CARRIER ASSOCIATION (NECA) WITH THE FEDERAL COMMUNICATIONS COMMISSION (FCC) ON BEHALF OF THE MEMBER COMPANIES. THESE ACCESS CHARGES ARE BILLED BY THE COMPANY TO THE INTERSTATE LONG DISTANCE CARRIER, AND POOLED WITH LIKE REVENUES FROM ALL NECA MEMBER COMPANIES. THE PORTION OF THE POOLED ACCESS CHARGE REVENUE RECEIVED BY THE COMPANY IS DETERMINED BASED ON NATIONWIDE AVERAGE COST SCHEDULES. EFFECTIVE IN 1994, THE COMPANY IMPLEMENTED EXTENDED COMMUNITY CALLING (ECC) WHICH WAS MANDATED BY THE WISCONSIN PUBLIC SERVICE COMMISSION FOR ALL LOCAL TELEPHONE COMPANIES IN WISCONSIN. ECC EXTENDED THE CALLING AREAS FOR LOCAL EXCHANGE SUBSCRIBERS AND REDUCED THE ACCESS AND BILLING

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

AREAS FOR LOCAL EXCHANGE SUBSCRIBERS AND REDUCED THE ACCESS AND BILLING AND COLLECTION CHARGES TO INTEREXCHANGE TELEPHONE CARRIERS. THE REDUCED REVENUE BEING CHARGED TO INTEREXCHANGE CARRIERS WAS PARTIALLY OFFSET BY LOCAL SERVICE REVENUE FROM THE EXTENDED COMMUNITY CALLING.

I. THE COMPANY ACCOUNTS FOR INCOME TAXES UNDER THE PROVISIONS OF THE STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 109, "ACCOUNTING OF INCOME TAXES," ISSUED BY THE FINANCIAL ACCOUNTING STANDARDS BOARD. DUE TO THE REGULATED NATURE OF THE COMPANY'S UTILITY BUSINESS, THE COMPANY RECORDED ANY CHANGE OR ADDITIONS TO DEFERRED TAXES UNDER THE PROVISIONS OF THE STANDARD, AS A REGULATORY LIABILITY ACCOUNT. THE REGULATORY ACCOUNT WILL BE CONSIDERED AND AMORTIZED TO INCOME IN THE FUTURE AS DIRECTED BY THE PUBLIC SERVICE COMMISSION OF WISCONSIN. THE COMPANY HAS RECOGNIZED THE FOLLOWING DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES:

THE COMPANY HAS RECORDED INCOME TAXES ON NET UNDISTRIBUTED INCOME FROM THE COMPANY'S INVESTMENT IN THE CELLULAR LIMITED PARTNERSHIPS.

DEFERRED INC

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.
-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	2,764,483	3,470,227	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	2,764,483	3,470,227	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	33,829	43,295	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	33,829	43,295	
Other Accounts Receivable (1190)*	406,798	234,464	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	406,798	234,464	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	4,779	7,232	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	445,406	284,991	
SUPPLIES			
Inventories (1220)*	35,703	37,801	13
TOTAL SUPPLIES	35,703	37,801	
PREPAYMENTS			
Total Prepayments (1280)*	26,190	63,059	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	26,190	63,059	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	3,271,782	3,856,078	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	2,614,921	1,991,304	21
RTB Class B Stock (1402)*			22
Other Investments in Nonaffiliated Companies (1402)*	51,400	146,400	23
Nonregulated Investments (1406)*	68,426	115,394	24
Unamortized Debt Issuance Expense (1407)*	1,115	1,185	25
Sinking Funds (1408)*		0	26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	1,360	3,545	27
TOTAL INVESTMENTS	2,737,222	2,257,828	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*		0	28
Deferred Maintenance and Retirements (1438)*		0	29
Deferred Charges (1439)*			30
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	2,737,222	2,257,828	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	8,941,730	7,460,228	31
Less: Accumulated Depreciation (3100)*	4,728,378	4,209,892	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	4,213,352	3,250,336	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	146,571	475,625	40
TOTAL TPUC	146,571	475,625	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	4,359,923	3,725,961	
TOTAL ASSETS AND OTHER DEBITS	10,368,927	9,839,867	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	185,130	675,066	1
Notes Payable (4020)*		0	2
Advance Billing and Payments (4030)*	1,336	1,125	3
Customer Deposits (4040)*	6,998	6,153	4
Current Maturities--Long-Term Debt (4050)*	101,800	96,800	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	4,294	132,100	7
Other Taxes--Accrued (4080)*	1,301	1,194	8
Net Current Deferred Operating Income Taxes (4100)*		0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	18,463	23,048	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	319,322	935,486	
LONG-TERM DEBT			
Funded Debt (4210)*	2,107,649	2,211,335	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*		0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*		0	19
TOTAL LONG-TERM DEBT	2,107,649	2,211,335	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	25,808	37,950	21
Unamortized Nonoperating ITC--Net (4330)*	0		22
Net Noncurrent Deferred Operating Income Taxes (4340)*	113,216	104,676	23
Net Deferred Tax Liability Adjustments (4341)*		0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	37,334	30,450	26
Deferred Tax Regulatory Liability (4361)*	53,471	53,471	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	229,829	226,547	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	437,225	437,225	28
Additional Paid-in Capital (4520)*	19,343	19,123	29
Treasury Stock (4530)*	17,400	800	30
Other Capital (4540)*			31
Retained Earnings (4550)*	7,272,959	6,010,951	32
TOTAL STOCKHOLDERS' EQUITY	7,712,127	6,466,499	
TOTAL LIABILITIES AND OTHER CREDITS	10,368,927	9,839,867	

IMPORTANT CHANGES DURING THE YEAR

-
1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

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2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
COMPUTER SYSTEMS, LLC	CS, LLC	1
LVT CORP.	LVT	2

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars	(a)	(b)	(c)	(d)	(e)
Docket		3110AT000100	3110AT000100		
Name of Affiliate		CS, LLC	LVT		1
Designate whether billed to or from:		FROM	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		M	C		3
Total Dollar Activity		163,566	59,126		4
Percent of affiliate's business billed to all affiliated regulated utilities		61.86			5
If cost based, rate of return on equity or markup incorporated in billings					6
Footnotes					

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	14,028		1
Motor Vehicles	2112	96,003	30,214	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	156,460	5,153	6
Buildings	2121	593,091	4,453	7
Furniture	2122	50,790		8
Office Equipment	2123	46,740	7,324	9
General Purpose Computers	2124	102,207	1,260	10
TOTAL--GENERAL SUPPORT ASSETS:		1,059,319	48,404	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,350,006	121,731	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	1,032,097	382,473	16
TOTAL--CENTRAL OFFICE ASSETS:		2,382,103	504,204	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	18,702		22
Aerial Cable	2421	64,765	87	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,935,339	956,643	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		4,018,806	956,730	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			14,028	1
2112	15,874		110,343	2
2113			0	3
2114			0	4
2115			0	5
2116			161,613	6
2121			597,544	7
2122			50,790	8
2123	0	0	54,064	9
2124			103,467	10
	15,874	0	1,091,849	
2211			0	11
2212	0	0	1,471,737	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	1,414,570	16
	0	0	2,886,307	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			18,702	22
2421	240	0	64,612	23
2422	0	0	0	24
2423	11,722	0	4,880,260	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	11,962	0	4,963,574	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	7,460,228	1,509,338
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	27,836	0	8,941,730	
2001			0	34
			8,941,730	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	32,634	7,324	1
Company Communications Equipment	2123.2	14,106		2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	1,350,006	121,731	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,032,097	382,473	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	64,765	87	14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	693,385	328,775	17
Buried Cable - Metallic	2423.2	3,241,954	627,868	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			39,958	1
2123.2			14,106	2
2212.1			0	3
2212.2			1,471,737	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			1,414,570	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2	240		64,612	14
2422.1			0	15
2422.2			0	16
2423.1			1,022,160	17
2423.2	11,722		3,858,100	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	69,878	12.51	8,418	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	110,348	10.0	15,968	5
Buildings	2121	306,382	3.3	19,657	6
Furniture	2122	32,673	10.0	3,728	7
Office Equipment	2123	31,732	20.0	6,469	8
General Purpose Computers	2124	102,207	25.0	1,260	9
Total-- GENERAL SUPPORT ASSETS		653,220		55,500	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	872,897	9.7	135,246	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	563,210	11.6	114,252	15
Total-- CENTRAL OFFICE ASSETS		1,436,107		249,498	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	18,702	11.7	41	21
Aerial Cable	2421	55,529	6.3	1,607	22
Underground Cable	2422	0			23
Buried Cable	2423	2,046,334	5.8	238,279	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		2,120,565		239,927	0
Total Accumulated Depreciation	3100	4,209,892		544,925	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	15,874		2,227		64,649	1
2113					0	2
2114					0	3
2115					0	4
2116					126,316	5
2121					326,039	6
2122					36,401	7
2123	0				38,201	8
2124					103,467	9
	15,874	0	2,227	0	695,073	
2211					0	10
2212	0				1,008,143	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0	57			677,405	15
	0	57	0	0	1,685,548	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411		41			18,702	21
2421	240	317			56,579	22
2422	0				0	23
2423	11,722	415			2,272,476	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	11,962	773	0	0	2,347,757	
3100	27,836	830	2,227	0	4,728,378	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	22,292	20.0	5,293	1
Company Communications Equipment	2123.2	9,440	20.0	1,176	2
Software	2212.1	0			3
Digital Switching - Central Office	2212.2	872,897	9.7	135,246	4
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	563,210	11.6	114,252	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	55,529	6.3	1,607	14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	118,103	5.8	37,790	17
Buried Cable - Metallic	2423.2	1,928,231	5.8	200,489	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					27,585	1
2123.2					10,616	2
2212.1					0	3
2212.2					1,008,143	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1		57			677,405	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2	240	317			56,579	14
2422.1					0	15
2422.2					0	16
2423.1					155,893	17
2423.2	11,722	415			2,116,583	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	6,010,951	4,947,696	1
Changes:			
Balance Transferred from Income	1,428,078	1,215,916	2
Dividends Declared:			
Common	166,070	152,661	3
Preferred		0	4
Total Dividends Declared	166,070	152,661	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>7,272,959</u>	<u>6,010,951</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	657,586	590,422	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	657,586	590,422	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	162,690	153,799	11
Switched Access Revenue (5082)*	548,610	561,694	12
Special Access Revenue (5083)*	427,546	165,880	13 A
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,138,846	881,373	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	521,426	476,893	15
Special Access Revenue (5084.3)*	673,964	581,396	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,195,390	1,058,289	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	75,823	74,080	30
Rent Revenue (5240)*	318		31
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	41,740	4,773	33 B
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	41,740	4,773	
Interstate Billing and Collection Revenue*	22,673	21,674	39
Intrastate Billing and Collection Revenue*	67,083	60,306	40
Total Carrier Billing and Collection Revenue (5270)*	89,756	81,980	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	207,637	160,833	
GROSS OPERATING REVENUES	3,199,459	2,690,917	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(21,495)	(17,609)	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(21,495)	(17,609)	
TOTAL OPERATING REVENUES	3,220,954	2,708,526	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)		0	1
Less: Nonregulated		0	2
Net Regulated	0	0	3
Total General Support Expense (6120)	39,442	42,186	4
Less: Nonregulated		0	5
Net Regulated	39,442	42,186	6
Total Central Office Switching Expense (6210)	102,550	111,782	7
Less: Nonregulated		0	8
Net Regulated	102,550	111,782	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	11,506	10,579	13
Less: Nonregulated		0	14
Net Regulated	11,506	10,579	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	138,730	120,698	19
Less: Nonregulated		0	20
Net Regulated	138,730	120,698	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	292,228	285,245	
Less: Nonregulated	0	0	
Net Regulated	292,228	285,245	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	1,576	1,661	22
Less: Nonregulated		0	23 z
Net Regulated	1,576	1,661	24
Total Network Operations Expense (6530)	39,857	35,243	25
Less: Nonregulated		0	26
Net Regulated	39,857	35,243	27
Access Expense (6540)		0	28
Less: Nonregulated		0	29
Net Regulated	0	0	30
Total Depreciation and Amortization Expense (6560)	544,925	345,421	31
Less: Nonregulated	4,902	8,165	32 c
Net Regulated	540,023	337,256	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	586,358	382,325	
Less: Nonregulated	4,902	8,165	
Net Regulated	581,456	374,160	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	19,083	21,070	34
Less: Nonregulated		0	35
Net Regulated	19,083	21,070	36
Total Services (6620)	351,376	290,769	37
Less: Nonregulated		0	38 D
Net Regulated	351,376	290,769	39
TOTAL CUSTOMER OPERATIONS EXPENSE	370,459	311,839	
Less: Nonregulated	0	0	
Net Regulated	370,459	311,839	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	210,350	219,824	40
Less: Nonregulated		0	41
Net Regulated	210,350	219,824	42
Total General and Administrative (6720)	141,934	123,932	43
Less: Nonregulated		0	44
Net Regulated	141,934	123,932	45
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	352,284	343,756	
Less: Nonregulated	0	0	
Net Regulated	352,284	343,756	
TOTAL EXPENSES	1,601,329	1,323,165	
Less: Nonregulated	4,902	8,165	
Net Regulated	1,596,427	1,315,000	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)	1,576	1,661	2
Total: Reported in Account 6510	1,576	1,661	
Depreciat. Exp.--Tele. Plant in Service (6561)	544,925	345,421	3 c
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	544,925	345,421	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	3,199,459	1
Plus: Collection of amounts previously written off	43,876	2
Less: Uncollectibles written off during the year	22,382	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,220,953</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	657,586	1
Plus: Total Intrastate Access Revenues (5084)	1,195,390	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,852,976</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	3,199,459	1
Plus: Collection of amounts previously written off	43,876	2
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Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,220,953</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	657,586	1
Plus: Total Intrastate Access Revenues (5084)	1,195,390	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,852,976</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)		0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(12,142)	(7,957)	2
Operating Federal Income Taxes (7220)	403,066	332,696	3
Operating State and Local Income Taxes (7230)	101,215	85,470	4
Operating Other Taxes (7240)	185,972	159,441	5
Provision for Deferred Operating Income Taxes--Net (7250)	12,078	6,933	6
TOTAL OPERATING TAXES (7200)	690,189	576,583	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	110	382	7
Interest Income (7320)	172,939	197,428	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)	28,618	18,768	10
Gains or (Losses) from the Disposition of Certain Property (7350)			11
Other Nonoperating Income (7360)	483,617	425,084	12
Special Charges (7370)	9,839	13,604	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	675,445	628,058	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	68,878	108,673	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	112,830	117,519	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)		0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	3	(2,893)	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
DISTANCE LEARNING	1
PUBLIC TELEPHONE PAY SERVICE	2
SALES AND INSTALLATION OF TELEPHONE EQUIPMENT	3

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	158	700	1
Extended Area Service	160	885	2
Extended Community Calling	55	223	3
Other Local-Undefined			4
Total Local	373	1,808	
TOLL			
Toll	377	1,362	5
Total Toll	377	1,362	
Total Local & Toll	750	3,170	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.			142		5
Feature Group C -- Term.			125		6
Feature Group D -- Orig.	296	181	40		7
Feature Group D -- Term.	318	224	36		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	84	1
Strand miles of plant - fiber optics	1,680	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	24	13	1
56 kbps	2	4	2
64 kbps (DS0)	0	0	3 E
1.54 Mbps (DS-1)	14	4	4
45 Mbps (DS-3)	0	0	5 E
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	84	1
Strand miles of plant - fiber optics	1,680	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	24	13	1
56 kbps	2	4	2
64 kbps (DS0)	0	0	3 E
1.54 Mbps (DS-1)	14	4	4
45 Mbps (DS-3)	0	0	5 E
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	540	515	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	34	159	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	78	76	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)			11
FX-Out (Switched)			12
Pay Telephone	22	23	13
Coin-Operated Pay Telephone		4	14
Independent Pay Telephone Provider	52	47	15
Pay Stations - Public			16
- Semi-Public			17
- Cust. Owned			18
Other			19
Total Business Lines	726	824	20
Residential (Incl. Emp. Concess.)			
1 Party	2,648	2,742	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	2,648	2,742	27
Total Bus & Res Lines	3,374	3,566	28
Company Used Lines	45	45	29
Total Lines Used	3,419	3,611	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	1	1	3
WATS Lines - 800 Service			4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	545	113	7
Special Access-interLATA			8
(expressed in equiv. access lines)	1,439	362	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	144	144	13
TSPS - Trunks	24	24	14
EAS - Trunks	168	120	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)	672	672	18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	6,400,909	7,849,881	25
Total Company Square Miles	200	200	26
Total Company Route Miles	495	495	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0910	3780			1
Business					2
1 Party	211	304			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	10	149			6
Centrex Trunks	---CONF---	---CONF---			7
Centrex Lines					8
Key System Trunks	19	57			9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	10	13			13
Coin-Operated Pay Telephone		4			14
Independent Pay Telephone Provider	15	32			15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	265	559	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,185	1,557			22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	1,185	1,557	0	0	27
Total Bus & Res Lines	1,450	2,116	0	0	28
Company Used Lines	41	4			29
Total Lines Used	1,491	2,120	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0910	3780			1
Miscellaneous					2
WATS Lines - OutWATS	1				3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	81	32			7
Special Access-interLATA					8
(equiv. access lines)	333	29			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	144				13
TSPS - Trunks	24				14
EAS - Trunks	120	0			15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)		672			18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	3,891,971	3,957,910			27
Exchange Square Miles	140	60			28
Exchange Route Miles	264	231			29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	CAMP DOUGLAS	NEW LISBON			1
PSCW Exchange ID	0910	3780			2
Central Office Name	CAMP DOUGLAS	NEW LISBON			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	VI/ADS	VI/ADS			5
Year COE Installed	1998	1998			6
Type of Equipment (Page 54)	A	D			7
(S)tandalone, (H)ost, (R)emote	H	R			8
Remote Host PSCW Exchange ID		0910			9
Remote Host PSCW Central Office ID	0	1			10
COE Generic Software Release No.	R.01.00.0325	1			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	1,491	2,120			14
- Equipped	1,896	3,334			15
- Wired	1,896	3,334			16
Trunks - In Use	288	48			17
- Equipped	288	48			18
- Wired	288	48			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	No	No			23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	6	1			25
DS-3 - In Use	0	1			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	No			31
- In Use (# lines) ¹	0	0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	88	32			33
No. of fiber strands working (LIT) in C.O.	22	12			34
No. of fiber strands for interoffice use	12	12			35
Miles of fiber sheath in wire center	48	36			36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON			37
- PSCW C.O. ID	3080-01	3080-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	No	No			41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Expenses - Class A & B Footnote. Page 41

Schedule Line Footnotes

- A) PAGE 40 - ACCOUNT 5083 - ACCESS MINUTES AND SPECIAL ACCESS SERVICES CONTINUE TO INCREASE. ALSO SOME RETROACTIVE ACCESS FROM CENTURY TEL WERE REPORTED AND RECEIVED FROM VARIOUS CARRIERS.
- B) PAGE 40 - ACCOUNT 5260 - INCREASE DUE TO INTERNET BILLING AND COLLECTION CHARGES TO LVT CORP.
- C) PAGE 41 - ACCOUNT 6560 - DUE TO THE COE REPLACEMENT IN 1998, WHICH WAS FULLY DEPRECIATED, A FULL YEAR OF COE DEPRECIATION WAS RECORDED IN 1999. ALSO PLANT ADDITIONS IN 1999 AMOUNTED TO \$1,509,000.
- D) PAGE 41 - ACCOUNT 6620 - ADDITIONAL CSL CHARGES IN 1999. ALSO TEACH AND USAC FUND PAYMENTS.
- E) PAGE 49 - SPECIAL ACCESS CIRCUITS - COMPANY DOES NOT HAVE ANY 64 Kbps INTERLATA AND INTRALATA OR ANY 45 MBps INTERLATA AND INTRALATA CIRCUITS IN USE AT THE END OF 1999.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

F) Board of Directors
Lemonweir Valley Telephone Company
Camp Douglas, WI 54618

The Balance Sheets of Lemonweir Valley Telephone Company as of December 31, 1999 and 1998 and the related statements of income for the years then ended included in the accompanying prescribed forms have been compiled by us. We have also compiled the financial and non-financial data included on pages 13 through 56 of the prescribed forms.

Our compilations were limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements or accompanying data referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin and do not include all of the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

SIEPERT & CO. LLP
Certified Public Accountants

Beloit, Wisconsin

March 27, 2000